

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

THURSDAY, APRIL 17, 2014 AT 4:00 PM

IN THE MARY BRENNAN BOARD ROOM

T. F. GREEN AIRPORT

2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (Corporation) Board of Directors was called to order by Chair, Jon Savage at 4:00 p.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: Jon Savage; Russell Hahn; John Justo; Paul Carroll, Michael Traficante, Deborah Thomas (arrived at 4:03 pm) and Bradford Dimeo (arrived at 4:03 pm).

BOARD MEMBER ABSENT: None.

ALSO PRESENT: Kelly J. Fredericks, P.E., A.A.E., President and CEO; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the minutes of the Board of Director's Meeting of March 19, 2014. The motion passed unanimously.

A motion was made by Mr. Hahn and seconded by Mr. Traficante to approve the minutes of the Special Board of Director's Meeting of April 3, 2014.

The motion was passed by six affirmative votes, with one Board Member abstaining himself from voting. The vote was as follows:

YEAS: Jon Savage

Russell Hahn

Deborah Thomas

John Justo

Bradford Dimeo

Michael Traficante

NAYS: None

ABSTAIN: Paul Carroll

2. Open Forum:

Mr. Savage asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from President and CEO:

Mr. Fredericks presented the President and CEO Report and reported on the following:

- Mr. Fredericks reported that Mr. Savage as Board Chair is designated as the Chair of the Pension Committee. A meeting has been scheduled for May 14th at 3pm.**
- Mr. Fredericks reported, as anticipated, passenger travel was down 6.2%. Seating capacity was down 9% and is anticipated to be down 2.85% in April, 6.75% in May and 5.83% in June followed by an upward passenger trend. In light of weather and reduction of seats year-to-date was down 5.97%. US Airways has, however, shown growth for the fourth straight month with a 7.84% increase.**
- Mr. Fredericks reported air cargo was down 4.63% with enplaned cargo up 8.78%. It was noted that FedEx has accounted for the bulk increase in cargo. Mr. Fredericks reported he recently met with FedEx properties personnel to discuss expanding operations at T. F. Green Airport.**
- Mr. Fredericks reported parking revenue was down 0.6% with ticket sales down 9.3%. This is the first decline in parking since December 2012. Market shares and ticket sales remain strong at approximately**

85% compared to off-airport parking. Mr. Fredericks commended Mr. David Cloutier and Mr. Timothy Pimental for securing an agreement with Citizens Bank, pending RIDOT approval, for 200 parking spaces in the InterLink facility.

- Mr. Fredericks reported operations for the general aviation system remain down overall. Mr. Fredericks reported he recently spoke to the pilot community regarding weather conditions that affected flying months.**

- Mr. Fredericks reported as part of his general aviation facilities tour he and staff members met with stakeholders to discuss key issues at the general aviation airports. Mr. Fredericks reported he spoke at the April 8th Rhode Island Pilots Association (RIPA) meeting and has invited RIPA President and Mr. Paul Carroll to join the next tour of the general aviation airports and facilities to facilitate dialogue. Mr. Fredericks also noted that a town hall style meeting will be scheduled at each of the general aviation airports between tenants and RIAC to exchange information.**

- Mr. Fredericks reported RIAC attended several meetings and events including: the monthly meeting with Mayor Avedisian, Warwick City Council members, numerous meetings with the FAA, RIDOT, RIDEM, the Providence Chamber, Providence/Warwick CVB and the North Central RI Chamber.**

- **Mr. Fredericks reported Mr. Frazier, Mr. Schattle and he provided face-to-face briefings on airport projects with each member of the Rhode Island Congressional Delegation on March 27th.**

- **Mr. Fredericks reported he and Mr. Schattle testified before both the Senate and House Finance Committee on the Kushner legislation related to the potential Fiscal Year 2015 bond issue. Mr. Fredericks reported he also testified at the House and Senate Committees on the naming of the sports complex at Winslow Park. Mr. Fredericks discussed future naming rights and creating a Committee for these discussions. It was determined a Committee would not be needed and items would be brought before the Board of Directors for individual consideration.**

- **Mr. Fredericks stated there are a number of state legislative bills that are being tracked. Ms. Goldstein updated the Board on the 71 bills that are being tracked. Mr. Fredericks reported that Chief Messier provided testimony on gun legislation at screening before the House and Senate Committees. Chief Messier provided an update on the legislation.**

- **Mr. Fredericks reported he will meet with ADK Consultants in May to discuss the draft finding and recommendation associated with the Organizational Development Study. Mr. Fredericks stated he would brief their findings and suggestions to the Board in June.**

- **Mr. Fredericks stated future initiatives being looked into at T. F. Green Airport include: brightening of the terminal pre and post security, slot machines, a historic aircraft suspended from the ceiling inside the terminal, a water feature and displaying RI film industry components in the InterLink.**
- **Mr. Fredericks reported a continued focus remains on customer service training.**
- **Mr. Fredericks reported he has been invited by Governor Chafee and Marcel Valois to participate in a portion of their upcoming Economic Trade Mission on a number of meetings with Knock and Shannon Airports. Mr. Fredericks presented a ceremonial non-binding document that was sent by the Governor's Office to the Board for review.**
- **Mr. Fredericks reported he will be providing the Board Members with a briefing of key issues on a bi-weekly basis.**
- **Mr. Fredericks reported the next Stakeholder's Meeting will be scheduled for early June.**
- **Mr. Fredericks presented statistics on total annual passengers from 1992 to 2012 and emphasized air service is the number one priority.**
- **Mr. Fredericks presented statistics on annual cargo by pound from**

2005 to 2013 noting cargo is a major revenue stream that continues to be focused on.

4. Department Updates:

(a) Engineering

(i) Airport Expansion – Kelly Fredericks, P.E., A.A.E.

Mr. Fredericks provided the following updates:

- Demolition work on Hangar 1 has been completed and construction on Runway 16 will resume the first week of June.**
- Formal approval of the wetland mitigation has been received by the RIDEM. Construction on Runway 34 safety end will begin in June and is scheduled to be completed in 2015.**
- The Deicer Management System is scheduled to be operational by the end of September. Testing will begin upon completion.**
- Bids were opened today for the Relocation of Winslow Park. The low bidder came in \$1.3 Million under the engineering budget. Winslow Park is scheduled to be open and operational June 2015. The relocation of Main Avenue will begin after completion of Winslow Park. Main Avenue will not close during the relocation.**

(b) Planning

(i) Land Acquisition and Noise Program – Dan Porter

Mr. Porter provided the following updates:

- There are 14 properties required for mandatory acquisition as part of the relocation of Main Avenue. Relocations are expected to be completed by August with demolition scheduled to begin in the Fall. This program is on schedule and on budget.**
- Voluntary land acquisition for the Runway Protection Zone (RPZ) contains five phases. A workshop has been held to provide information to property owners in this program. Completion of this program is scheduled for December 2017.**
- An update was provided on the Residential Sound Insulation Program. It was noted that 1,500 properties have been insulated since the program started in the 1990s. There are 564 properties potentially eligible as part of the 65 DNL noise contour.**
- Construction on properties in the Pilot Program is scheduled to begin in May.**
- The FAA is scheduled to reevaluate the noise contour in 2018. The current noise contour may shrink due to new technology on aircraft that decrease noise emissions.**

(c) Maintenance and Operations.

(i) PVD Airfield and GA Facilities – Alan Andrade

Mr. Andrade provided the following updates:

- **Several well qualified applicants responded to the recent job notices issued for the Glycol Treatment Facility operators.**
- **AvPorts is in the process of extending their hours to meet the demands of the expected increase in summer activity at the general aviation airports.**
- **The Quonset Air Show is scheduled for May 17th and 18th.**
- **The localizer at Quonset Airport is being replaced by the Air National Guard.**
- **Due to a repair of the EMAS bed at Groton Airport, Quonset Airport may be utilized during the closure.**
- **Fencing is being installed at Block Island to complete the fence line surrounding the airport for wildlife management.**
- **Building Rehabilitation at Newport Airport is scheduled to be completed at the end of October 2014.**

- Land clearing and fence installation is being done at Westerly Airport as part of obstruction removal efforts for approach procedures.

(c) Maintenance and Operations.

(ii) PVD Terminal – Bruce Wilde

- As part of a renewed commitment to recycling by RIAC and its tenants, a recycling audit was performed by our waste vendor, Waste Management, Inc. Recommendations were made, and those being implemented include placement of additional recycling containers and additional signage in common areas and vendor areas within the terminal building.
- A test of a variety of different types of LED lamps and lighting fixtures on the exterior of the terminal building, crosswalks and parking areas is being conducted in conjunction with an energy conservation program being proposed by National Grid.
- The second phase of an extension to the Security Camera project has been completed, resulting in an additional 50 cameras being installed. DHS/TSA has proposed to use PVD as a test bed for the development of video analytics, based on the successful implementation of the original project and its extension.

- **Public comment period for the revised Proposed Ground Transportation Regulations has ended, and the regulations will be posted in the near future.**

5. Action Items:

(a) Consideration of and Action Upon Resolution Honoring Dr. Kathleen Hittner and Supporting Legislation Naming the New Winslow Fields.

Mr. Fredericks gave an overview of this item. The recommendation is that the Board of the Rhode Island Airport Corporation extends its gratitude and appreciation to Kathleen C. Hittner, M.D. for her service to this Corporation, her dedication to public service and her commitment to the community and State, and wishes her and her family good health and every success in the future. Above all, the Board wants her to know that they will miss her astute leadership and dedication to the success of T. F. Green and the General Aviation Airports, and it fully endorses the naming of the new sporting complex the Dr. Kathleen Hittner Sports Complex at Winslow Park

A motion was made by Mr. Traficante and seconded by Mr. Hahn to approve the following resolution:

WHEREAS, Kathleen C. Hittner has confirmed the belief that one has the obligation to accept the challenges and responsibilities of public

service; and

WHEREAS, in 2007, Governor Donald L. Carcieri appointed Kathleen C. Hittner, M.D. as the Chairman to the Board of Directors of the Rhode Island Airport Corporation (RIAC); and

WHEREAS, Kathleen C. Hittner, M.D., a Warwick resident, brought to the Board a tremendous wealth of business experience with her consummate professionalism developed from her being a physician, Chief Executive and member of numerous community boards; and

WHEREAS, Kathleen C. Hittner, M.D. served as an excellent liaison between the City of Warwick and RIAC; and

WHEREAS, Kathleen C. Hittner, M.D. played a large role in fostering unanimity among the City of Warwick, the State of Rhode Island, RIAC, Board of Directors and Staff; and

WHEREAS, Kathleen C. Hittner, M.D. has played a major role in helping the Board articulate its principal goals to continue to serve the traveling public through safety and security, appropriate growth and capital improvements and to ensure that RIAC is managed and operated with professionalism and efficiency; and

WHEREAS, Kathleen C. Hittner, M.D. serving as Chair, devoted countless hours to long range development plans and infrastructure

improvements at T. F. Green Airport and the General Aviation Airports. Most notably, the advancement of the Environmental Impact Statement (EIS) and the completion of the InterLink Facility; and

WHEREAS, Kathleen C. Hittner, M.D. has been instrumental in making RIAC a model quasi-public corporation which Rhode Islanders can look to with pride; and

WHEREAS, due to her dedication and civic-mindedness, we fully support the Corporation's request for legislative approval of the new naming of the sporting complex being constructed by RIAC as the Dr. Kathleen Hittner Sports Complex at Winslow Park.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board of the Rhode Island Airport Corporation extends its gratitude and appreciation to Kathleen C. Hittner, M.D. for her service to this Corporation, her dedication to public service and her commitment to the community and State, and wishes her and her family good health and every success in the future. Above all, the Board wants her to know that they will miss her astute leadership and dedication to the success of T. F. Green and the General Aviation Airports, and it fully endorses the naming of the new sporting complex the Dr. Kathleen Hittner Sports Complex at Winslow Park.

The motion was passed unanimously.

(b) Consideration of and Action Upon Resolution Honoring Joseph M. Cianciolo.

The recommendation is that the Board of the Rhode Island Airport Corporation extends its gratitude and appreciation to Joseph M. Cianciolo for his service to this Corporation, his dedication to public service and his commitment to the community and State, and wishes him and his family good health and every success in the future. Above all, the Board wants him to know that they will miss his financial insights and spirited candor at Board Meetings.

A motion was made by Mr. Traficante and seconded by Mr. Hahn to approve the following resolution:

WHEREAS, Joseph M. Cianciolo has confirmed the belief that one has the obligation to accept the challenges and responsibilities of public service; and

WHEREAS, in 2001, Governor Lincoln Almond appointed Joseph M. Cianciolo to the Board of Directors of the Rhode Island Airport Corporation (RIAC); and

WHEREAS, Joseph M. Cianciolo serving as Vice Chairperson of the Board has played a major role in helping the Board to articulate its

principal goals to continue the growth and success achieved at T. F. Green Airport since the terminal opening in 1996, and to ensure that RIAC is managed and operated with professionalism and efficiency; and

WHEREAS, Joseph M. Cianciolo, serving as Treasurer and Chair of the Finance and Audit Committee, provided valuable guidance and insight along with sound fiscal oversight; and

WHEREAS, Joseph M. Cianciolo has played a major role in helping the Board articulate its principal goals to continue to serve the traveling public through safety and security, appropriate growth and capital improvements and to ensure that RIAC is managed and operated with professionalism and efficiency; and

WHEREAS, Joseph M. Cianciolo has been instrumental in as well as making RIAC a model quasi-public corporation which Rhode Islanders can look to with pride.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board of the Rhode Island Airport Corporation extends its gratitude and appreciation to Joseph M. Cianciolo for his service to this Corporation, his dedication to public service and his commitment to the community and State, and wishes him and his family good health and every success in the future. Above all, the Board wants

him to know that they will miss his financial insights and spirited candor at Board Meetings.

The motion was passed unanimously.

(c) Consideration of and Action Upon Election of Board Vice Chair.

Mr. Savage reported Mr. Hahn was offered the position of Vice Chair of the Board of Directors and accepted.

A motion was made by Mr. Traficante and seconded by Mr. Carroll.

The motion was passed by six affirmative votes, with one Board Member abstaining himself from voting. The vote was as follows:

YEAS: Jon Savage

Deborah Thomas

John Justo

Bradford Dimeo

Michael Traficante

Paul Carroll

NAYS: None

ABSTAIN: Russell Hahn

6. Executive Session:

At approximately 5:19 p.m. a motion was made by Mr. Hahn and seconded by Mr. Carroll to go into Executive Session for the purpose of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Session held March 19, 2014 and the Special Board of Director's Meeting on April 3, 2014 - R.I.G.L. § 42-46-5(a)(1),(2),(4) and (7); and

(b) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development and One Non-Public Matter) – R.I.G.L. § 42-46-5(a)(7); and

(c) Discussion Regarding Investigative Proceedings re: Allegation of Civil/Criminal Misconduct - R.I.G.L. § 42-46-5(a)(4); and

(d) Discussion Related to One Public Litigation Matter (Bogosian vs. RIAC) – R.I.G.L. § 42-46-5(a)(2); and

(e) Discussion Related to Personnel (Job Performance) - R.I.G.L. § 42-46-5(a)(1); and

(f) Motion to Return to Open Session.

By the following roll call vote the motion was passed unanimously.

YEAS: Jon Savage

Jon Justo

Deborah Thomas

Russell Hahn

Paul Carroll

NAYS: None

ABSTAIN: None

Mr. Dimeo left the meeting at 5:19 p.m.

Mr. Traficante left the meeting at 5:26 p.m.

At approximately 6:29 p.m., a motion was made by Ms. Thomas and seconded by Mr. Hahn to return to the Open Session. The motion was passed unanimously.

7. Post Executive Session Actions and Announcements:

(a) Motion to Seal the Minutes of the Executive Session Held on March 19, 2014.

A motion was made by Mr. Hahn and seconded by Mr. Carroll to seal the minutes of the Executive Session in accordance with R.I.G.L. §

42-46-4. By the following roll call vote. The motion was passed unanimously.

YEAS: Jon Savage

Deborah Thomas

Russell Hahn

John Justo

Paul Carroll

NAYS: None

ABSTAIN: None

(b) Report on Actions Taken in Executive Session.

During the Executive Session, a motion was made by Mr. Carroll to approve the sealed minutes of the Executive Session held on April 17, 2014. The motion was seconded by Mr. Hahn. The motion passed unanimously.

A motion was made by Ms. Thomas and seconded by Mr. Hahn to approve the sealed minutes of the Special Board of Director's Meeting of April 3, 2014.

The motion was passed by four affirmative votes, with one Board Member abstaining himself from voting. The vote was as follows:

YEAS: Jon Savage

Russell Hahn

Deborah Thomas

John Justo

NAYS: None

ABSTAIN: Paul Carroll

(c) Consideration of and Action Upon New Contract for the President and CEO.

A motion was made by Ms. Thomas and seconded by Mr. Carroll to approve the new contract for the President and CEO in substantially the terms discussed during the executive session. The motion was passed unanimously.

8. Future Meetings:

The next Board Meeting will be held on Wednesday May 21, 2014 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.

9. Adjournment:

Mr. Justo moved to adjourn at approximately 6:30 p.m. Mr. Hahn seconded the motion. The motion was passed unanimously.

Respectfully submitted,

**Jon Savage, Chair
Rhode Island Airport Corporation**

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
THURSDAY, APRIL 17, 2014**

NAME	AFFILIATION
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Brian Schattle	RIAC
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Peter Frazier	RIAC
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Liberty Luciano	RIAC
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Doug Dansereau	RIAC
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Patricia Goldstein RIAC

Sherri Ann Penta RIAC

Alan Andrade RIAC

Dan Porter RIAC

Bruce Wilde RIAC

Eric Seabury RIAC

Leo Messier RIAC

Robert Goff New England Parking

Laurie Brayton Senate Fiscal Office

The minutes of the Executive Session of the Board Meeting of April 17, 2014, have been sealed in accordance with R.I.G.L. § 42-46-4.